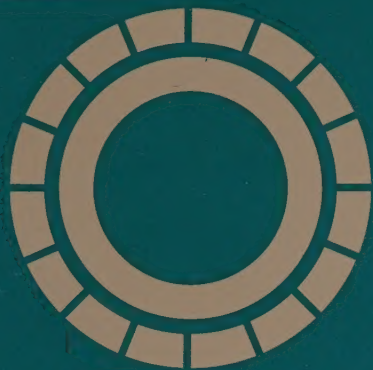


AR60



Ramarro Resources Inc.

1995

Annual Report

to the

Shareholders

Corporate Profile

Ramarro is an active Western Canadian oil and gas exploration and development company with expertise in shallow gas plays. Ramarro's drilling and production success has created a solid asset and cash flow base from which to expand operations. The Company has taken a more aggressive stance by participating in exploration plays during the past year.

Ramarro acts as operator in most projects and is directly involved in natural gas marketing. Ramarro Resources Ltd. was incorporated in 1984 as a private company. In 1987 Ramarro merged with Texada Resources Ltd., a junior capital pool company, to form Ramarro Resources Inc. listed on the Alberta Stock Exchange (Symbol: RMA).

The directors and officers, with 39.3% of the 11,255,133 issued common shares, have a "hands on" management style and a vested interest in the current and future profitability of Ramarro.

ANNUAL MEETING

The Annual General Meeting of the Shareholders will be held in the Barber Room (2nd Floor) at The 400 Club,
710 - 4th Avenue SW , Calgary, Alberta,
on Tuesday, March 12, 1996 at 3:30 p.m. (local time).

Corporate Highlights

Winspear Business Reference Room
University of Alberta
1-18 Business Building
Edmonton, Alberta T6G 2R6

	1995	1994
OPERATIONS		
Natural gas production (mmcf)		
Total	738.1	674.4
Daily	2.02	1.85
Average natural gas (\$/mcf)	1.21	1.93
Crude oil sales (bbls)	7,730	4,908
Average crude oil (\$/bbl)	19.58	17.40
Total BOE/d	223	198
Natural gas reserves (bcf)	7.71	7.58
Crude oil reserves (mbbls)	72	103
FINANCIAL		
(all amounts in dollars except share numbers)		
Revenue	1,966,565	2,091,690
Funds from operations	853,351	1,000,536
Per share	0.073	0.097
Net earnings	228,908	358,484
Per share	0.02	0.03
Bank loan		
Current	—	—
Long-term	—	—
Convertible debentures	394,990	394,990
Shareholders' equity	2,756,019	2,523,179
Common shares issued		
At year end	11,255,133	10,889,633
Weighted average	11,278,800	10,190,395
SHARE PERFORMANCE		
Price (\$)		
High	0.33	0.55
Low	0.15	0.25
Close	0.20	0.28
Volume	862,635	1,204,740

Report to the Shareholders

We are pleased to report on the activities for the year ended September 30, 1995 during which continued progress was made in many areas of the Company and its operations:

➤ Active development of the Cessford North property, which Ramarro acquired as a proven undeveloped project in 1994, was initiated. Texada Energy Ltd., an entity owned 38% by the Company, has participated in this project by issuing flow-through shares to various investors.

➤ Cash generated from operations in the past three years has totaled \$2.87 million with \$853,351 or \$0.073 per share in the latest fiscal period. Aggregate earnings in the same three years were \$1.31 million with \$228,908 or \$0.019 per share in 1995.

➤ The Company has no bank indebtedness and maintains a \$1,000,000 line of credit to allow interim financing that might be required for financing acquisitions or drilling prospects.

➤ Average natural gas production increased 9.4% to 2.02 mmcf/d from 1.85 mmcf/d in the previous fiscal year.

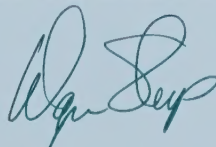
➤ Financial advisors have been retained by the Company to search for and screen merger and acquisition candidates with whom a non-hostile arrangement might be concluded. To date, several possibilities have been investigated with one proposal being made to a potential merger partner; however no consensus could be reached and the proposal was terminated.

1996 FOCUS

Ramarro's continued focus remains the diversification of its asset and reserve base with the longer term objective of being more evenly balanced between oil and gas. To this end the Company will pursue new exploration plays which have additional development potential to enhance early cash flow and its reserve base.

The Directors recognize the important contribution of Ramarro's staff; through their dedication and expertise, the Company will continue to experience ongoing growth and success.

On behalf of the Board of Directors,



Wayne Sharp,
PRESIDENT

December 29, 1995

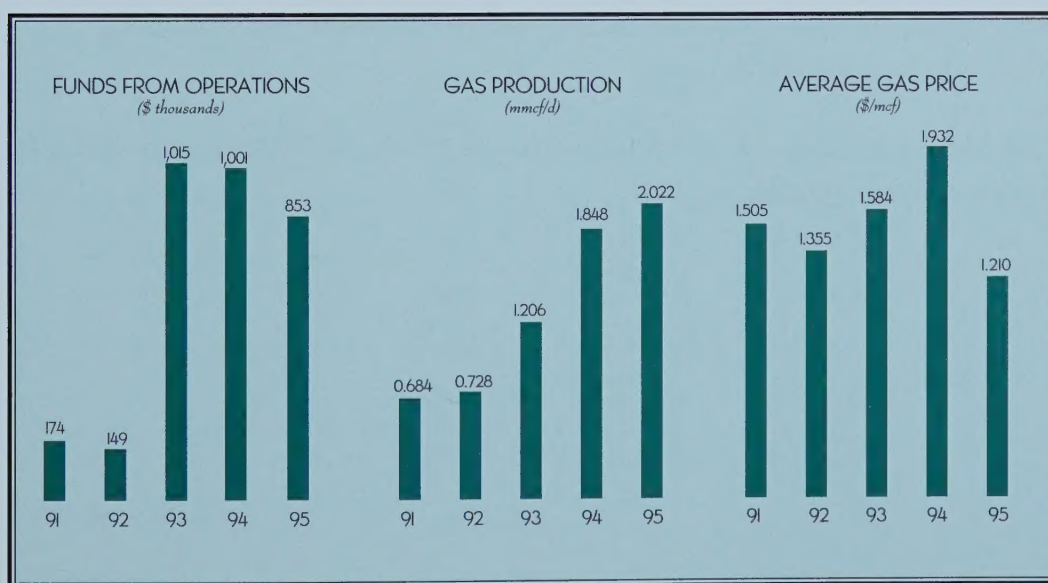
Review of Operations

During the year Ramarro has continued to optimize its production operations to improve capacity and minimize costs. Additional interests in various Ramarro projects were acquired from partners in an ongoing program to increase its participation in the properties that it operates. In September the Hatton project achieved payout with the result that the Company's working interest increased from 5.0% to 19.9345% effective October 1995. Accordingly Ramarro exited fiscal 1995 with a production rate of 245 BOE/d, a 23.7% increase over 1994.

The ten well program at Cessford North was completed in October and placed on stream November 1, 1994. During the past summer and early fall, an additional six wells were completed and placed on stream in October of 1995. Ramarro has a 20% interest in the Cessford North project and an indirect interest through its 38.0% investment in Texada Energy Ltd. Total gas sales for the year were 738.1 mmcf, 9.4% ahead of the 674.4 mmcf sold last year (2.02 mmcf/d versus 1.85 mmcf/d respectively). The new drilling at Cessford North and property acquisitions made last year, account for the production and sales gains which more than offset natural production declines at the Hilda, Hatton and Richmond properties. Crude oil sales increased from 4,908 to 7,730 bbls as a result of the production purchases made in 1994 at the Webb property in Saskatchewan. On an equivalent unit basis, oil accounted for 9.5% of the total equivalent unit production of 223 BOE/d in 1995 compared to 6.8% of the 198 BOE/d in the prior year.

Production expenses increased from \$510,501 to \$561,060 from year to year, partially due to increased working interests in some projects. However, they have benefited from some economies of scale to the extent that on a BOE basis, costs have declined to \$6.88 from \$7.06 last year; this reduction is particularly favourable when compared with the operating cost of \$8.85 per BOE in 1993.

The Company continues to participate actively in the marketing of its products. Essentially all production is taken in kind to be sold to various purchasers. All oil production is sold to competitive buyers in the Webb area of Saskatchewan. Approximately 60% of the gas production is sold to major aggregators on a pooled "net back" basis. These contracts are long term with good rates of take; however, in recent months the price has been adjusted monthly and has tracked Alberta spot prices closely. The balance of the gas production was sold until mid-year to a New Jersey based co-generation plant under a direct export contract. This arrangement was terminated by mutual agreement with the purchaser who made a cash payment to the Company. Ramarro is now negotiating with other buyers to provide an alternate market for the gas. Several transportation obligations were eliminated or reduced on November 1, 1995 so that netback prices should improve in the upcoming year.



During the past several years, Ramarro has attempted to diversify its asset base and expand the Company by participating in exploratory ventures located away from its operations base in southeastern Alberta and southwestern Saskatchewan. These efforts have yet to yield significant discoveries however the upcoming winter drilling program includes some excellent prospects. Areas of activity include the following:

➤ RED COULEE, ALBERTA

No further exploration during the past year since drilling an exploratory well in 1994.

➤ CREELMAN, SASKATCHEWAN

An exploratory well, drilled in May 1995, encountered oil shows but the subsequent horizontal section in the well has not proven commercial.

➤ PAKOWKI LAKE, ALBERTA

Environmental concerns which have been resolved, delayed this well until after year end: this well was non-productive.

➤ SYLVAN LAKE, ALBERTA

Ramarro will participate in drilling a well to develop gas and/or oil during the winter of 1995-1996.

Other prospects are being reviewed with approximately \$600,000 being available for Western Canadian exploration.

RESERVES AND RELATED VALUE

As of October 1, 1995, Ramarro's in-house evaluation of its reserves included 7.71 bcf of natural gas valued at \$3.09 million and 72 mbbbls of oil valued at \$0.41 million, both pre-tax using a 15% discount factor.

Recoverable Oil and Gas Reserves as of October 1, 1995

	Gross Reserves *			Present Worth (\$000's)			Cash Flow (\$000)	
	Oil (mbbbls)	Gas (bcf)	Undis- counted	10%	15%	20%	1996	Five Years
Hilda	–	2.55	1,040	755	659	582	141	790
Cessford West	–	1.86	2,968	1,474	1,143	926	165	944
Hatton	–	1.44	829	454	363	300	53	322
Other	72	1.86	3,156	1,684	1,337	1,107	231	1,153
Total	72	7.71	7,993	4,367	3,502	2,915	590	3,209

*Before royalties

The pricing assumptions used for this in-house evaluation are summarized in the following table:

(\$ per mcf)	Pan Alberta Gas Ltd.	Trans Canada Gas Services Limited	Other Alberta Sales	Saskatchewan Sales
1995	1.25	1.30	1.20	1.25
1996	1.50	1.55	1.50	1.30
1997	1.75	1.80	1.75	1.50
1998	2.00	2.05	2.00	1.80
1999	2.20	2.25	2.20	2.00

Escalated at 5% per year thereafter

NET ASSET VALUE

Proved reserves at October 1, 1995 (discounted at 15% pretax)	\$ 3,502,000
Undeveloped land	150,000
Balance sheet adjustments (as at September 30, 1995):	
Working capital	647,932
Less: Convertible debentures	(394,990)
Preferred shares	(152,978)
Net Asset Value	<u>\$ 3,751,964</u>
Per Share*	<u>\$ 0.33</u>

Based on 11,255,133 common shares outstanding at September 30, 1995



Financial Review

Revenues for the year ending September 30, 1995 totalled \$1,966,565 compared to \$2,091,690 in the previous year. Despite increased sales volumes of both natural gas and crude oil, net revenues from production and related operations declined 17.1% to \$1,573,415 compared with \$1,898,914 last year. This decrease is directly attributable to the severe reductions in selling prices for natural gas. In 1995 Ramarro sold 738.1 mmcf of natural gas at an average price of \$1.21 per mcf; the 674.4 mmcf sold in 1994 averaged \$1.93 per mcf. Oil sales for the year were 7,730 bbls, up substantially from the 4,908 bbls sold in 1994; average prices also improved from \$17.40 to \$19.58 per bbl.

Export marketing activities have been a good source of revenue in the two previous fiscal years with \$1.22 million in 1993 and about \$180,000 in 1994. During the past year, Ramarro received notification that the purchaser of natural gas for a co-generation plant in New Jersey wished to terminate the contract effective November 1, 1996. As a result of this notice, agreement was reached with the purchaser to advance the termination date to May 1, 1995 in return for cash payments to Ramarro. After adjustments for exchange rate differences and for payments to joint venture participants, about \$425,000 of revenue was recorded in the 1995 accounts. This revenue was offset by \$27,000 of losses from other gas marketing activities.

Cash generated from operations at \$853,351 (\$0.073 per share) was 14.7% below the \$1,000,536 (\$0.097 per share) reported in the previous year. Per share amounts for cash flow declined at a greater rate (24.9%) because of the greater weighted average number of outstanding common shares.

Total expenses including non-cash charges at \$1,595,983 were 5.6% higher than the \$1,511,745 recorded last year. Operating expenses increased 9.9% to \$561,060 from \$510,501 due mainly to the costs associated with higher production volumes. Administration expenses were \$541,241 in 1995 compared with \$504,035 in 1994; this change is primarily attributable to upgrading of, and a modest expansion of the Company's staff. No portion of these administration expenses have been capitalized. Depletion and depreciation charges rose slightly from \$397,834 to \$401,389, but this increase was more than offset by the decline in interest and bank charges. Net earnings as a result of these various items were \$228,908 (\$0.019 per share) compared to \$358,484 (\$0.034 per share) last year.

During the year, Ramarro received regulatory approval to proceed with a normal course issuer bid whereby it may purchase up to 500,000 of its outstanding common shares. The normal course issuer bid commenced May 26, 1995 and will terminate one year later. All acquisitions of common stock will be made through the facilities of the Alberta Stock Exchange at the market price. By the end of the fiscal year, a total of 209,500 common shares had been purchased for an aggregate price of \$42,860.

For the year, capital expenditures before dispositions of \$355,341, were \$619,744 and included \$346,363 for drilling wells and their related equipment and \$210,000 for flow through shares in Texada Energy Ltd. The Company continues to maintain a line of credit of \$1,000,000 with its banker. Together with its strong working capital position, the line of credit will permit Ramarro to pursue other oil and gas projects and acquisition possibilities.

Auditor's Report

TO THE SHAREHOLDERS OF RAMARRO RESOURCES INC.

I have audited the balance sheet of Ramarro Resources Inc., as of September 30, 1995 and 1994, and the statement of earnings and retained earnings and changes in financial position for the years then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based upon my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 1995 and 1994 and the results of its operations and the changes in its financial position for the years then ended in accordance with generally accepted accounting principles.



Gordon K. Case
CHARTERED ACCOUNTANT
December 8, 1995
Calgary, Alberta

Balance Sheet

September 30

	1995	1994
ASSETS		
Current		
Cash	\$ 82,209	\$ 97,001
Accounts receivable – (Note 4)	1,631,662	1,855,891
Income taxes recoverable	60,455	167,245
	<u>1,774,326</u>	<u>2,120,137</u>
Capital, at cost – (Notes 2 and 4)		
Petroleum and natural gas properties	4,701,733	4,437,330
Less: Accumulated depletion and depreciation	(1,659,186)	(1,257,797)
	<u>3,042,547</u>	<u>3,179,533</u>
Investments – (Note 3)	63,000	21,000
	<u>\$4,879,873</u>	<u>\$ 5,320,670</u>
LIABILITIES		
Current		
Accounts payable	\$ 1,126,394	\$ 2,002,085
	<u>1,126,394</u>	<u>2,002,085</u>
Convertible Debentures – (Note 5)	394,990	394,990
Provision for Future Site Restorations	108,040	64,780
	<u>1,629,424</u>	<u>2,461,855</u>
Deferred Income Taxes	494,430	335,636
SHAREHOLDERS' EQUITY		
Preferred Shares – (Note 6)	152,978	152,978
Common Shares – (Note 6)	1,232,757	1,218,117
Retained Earnings	1,370,284	1,152,084
	<u>2,756,019</u>	<u>2,523,179</u>
	<u>\$4,879,873</u>	<u>\$ 5,320,670</u>

See accompanying notes

Approved on behalf of the Board



Wayne R. Sharp
Director



G. Donald Meades
Director

Statement of Earnings and Retained Earnings

Year Ended September 30

	1995	1994
Revenues	\$ 1,966,565	\$ 2,091,690
Expenses		
Operating	561,060	510,501
Administration	541,241	504,035
Interest and bank charges	45,128	51,255
Depletion and depreciation	401,389	397,834
Future site restorations	47,165	48,120
	1,595,983	1,511,745
Earnings Before Income Tax	370,582	579,945
Income tax – (Note 7)		
Current	–	57,194
Deferred	158,794	196,098
Alberta royalty tax credit	(17,120)	(31,831)
	141,674	221,461
Net Earnings	228,908	358,484
Retained Earnings at Beginning of Year	1,152,084	806,715
Preference Dividends	(10,708)	(13,115)
Retained Earnings at End of Year	\$ 1,370,284	\$ 1,152,084
Basic Earnings Per Share	\$ 0.0193	\$ 0.0339
Fully Diluted Earnings Per Share	\$ 0.0170	\$ 0.0281

See accompanying notes

Statement of Changes in Financial Position

Year Ended September 30

	1995	1994
Cash Generated from Operations		
Net earnings	\$ 228,908	\$ 358,484
Depreciation and other charges		
not involving cash	465,649	445,954
Deferred taxes	158,794	196,098
	853,351	1,000,536
Investment		
Petroleum and natural gas properties	(619,744)	(1,801,915)
Proceeds on sales on capital assets	355,341	—
Changes in other working capital items	(544,672)	(1,054,369)
Investments	(63,000)	(21,000)
	(872,075)	(2,877,284)
	(18,724)	(1,876,748)
Financing		
Decrease in bank loan	—	(36,900)
Conversion of preferred shares	—	(160,260)
Conversion of debentures	—	160,260
Issue of common shares	57,500	533,160
Repurchase of common shares	(42,860)	—
Preference dividends	(10,708)	(13,115)
	3,932	483,145
Increase (Decrease) in Cash	(14,792)	(1,393,603)
Cash at Beginning of Year	97,001	1,490,604
Cash at End of Year	\$ 82,209	\$ 97,001
Analysis of Other Working Capital Items		
Accounts receivable	\$ 224,229	\$ (331,755)
Accounts payable	(875,691)	60,469
Income taxes payable	—	(167,245)
Income taxes recoverable	106,790	(535,438)
Bank loan	—	(80,400)
	\$ (544,672)	\$ (1,054,369)

See accompanying notes

Notes to Financial Statements

Year ended September 30, 1995

I. ACCOUNTING POLICIES

(a) Petroleum and Natural Gas Properties

The Company follows the full cost method of accounting for petroleum and natural gas properties whereby all costs of exploring for and developing petroleum and natural gas properties and related reserves are capitalized and charged against earnings as set out below. Such costs included land acquisition costs, geological and geophysical expenses and costs of drilling and completion of both productive and non-productive wells.

(b) Depreciation and Depletion

Depreciation of lease and well equipment is computed on a straight line basis at a rate of 10% per annum. Depletion of the Company's interest in petroleum and natural gas properties is computed by the unit-of-production method based on estimates of proven recoverable reserves.

(c) Joint Ventures

All of the Company's activities are carried on jointly with others. These financial statements reflect only the Company's proportionate interest in such activities.

(d) Future Site Restorations

Estimated future site restoration costs are provided for using the unit-of-production method based upon estimated proven reserves. Costs are estimated by the Company based upon current regulations, costs, technology and industry standards. Removal and site restoration expenditures will be charged to the accumulated provision as incurred.

(e) Investments

The Company follows the equity method of accounting for its investments in non-controlled corporations whereby an investment is initially recorded at cost with the carrying volume adjusted thereafter for the Company's pro-rata share of earning in the non-controlled corporation. Where an investment includes the purchase of flow through shares, that portion is included in Petroleum and Natural Gas Properties.

2. PETROLEUM AND NATURAL GAS PROPERTIES

The Company's investment in petroleum and natural gas properties is comprised of the following categories and costs:

		1995		1994
	Cost	Accumulated Depletion and Depreciation	Net	Net
Petroleum and natural gas properties	\$3,685,982	\$1,225,909	\$2,460,073	\$2,605,408
Lease and well equipment	1,015,751	433,277	582,474	574,125
	<u>\$4,701,733</u>	<u>\$1,659,186</u>	<u>\$3,042,547</u>	<u>\$3,179,533</u>

3. INVESTMENTS

The Company purchased convertible debentures from Texada Energy Ltd. for \$63,000 and a further 210,000 flow through common shares at a cost of \$1.00 each. The \$210,000 cost of flow through shares has been included in Petroleum and Natural Gas Properties. Income tax write-offs of approximately \$74,000 have been recorded in the current fiscal year and the remaining \$136,000 will be available primarily in 1996. At September 30, 1995 the Company held 504,000 common shares representing 38 percent of the 1,325,000 common shares outstanding. The \$21,000 investment in Texada was written-off during the year as Texada incurred losses for its first year of operations.

4. BANK LOAN

The Company has arranged a line of credit with a Canadian chartered bank in the amount of \$1,000,000. Any borrowing will bear interest at the Lender's prime rate plus 1% and will be secured by an assignment of the Company's natural gas properties at Cessford West and Hilda, both in Alberta, an assignment of book debts and a floating charge debenture.

5. CONVERTIBLE DEBENTURES

The convertible debentures bear interest at a rate of 10 percent and mature on January 31, 1998. Each debenture may be redeemed at par in whole or in part, at the option of the Company. Debentures may be converted into common shares of the Company at a price of \$0.20 per share.

6. CAPITAL STOCK

Authorized:

The Company's capital consists of an unlimited number of Common voting shares and an unlimited number of Class A and B Preferred non-voting shares issuable in series.

Preferred Shares Issued

	1995		1994	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance, Beginning of Year	152,978	\$152,978	313,238	\$313,238
Conversion to Debentures	—	—	(160,260)	(160,260)
Balance, End of Year	152,978	\$152,978	152,978	\$152,978

The Convertible Class B preferred shares are entitled to a fixed annual cumulative dividend of 7 percent and are convertible into common shares of the Company at a price of \$0.20 per share, and are redeemable at par, in whole or in part, at the option of the Company. The Convertible Class B preferred shares may also be converted to Convertible Debentures at an equivalent value.

Common Shares Issued

	1995		1994	
	Number of Shares	Share Capital	Number of Shares	Share Capital
Balance, Beginning of Year	10,889,633	\$1,218,117	9,754,980	\$684,957
Issued for Cash from:				
• Stock Option Plan	575,000	57,500	10,000	1,000
• Property Acquisitions	—	—	514,653	233,160
• Flow Through Shares	—	—	550,000	275,000
• Other	—	—	60,000	24,000
Repurchased under Normal Course Issuer Bid	(209,500)	(42,860)	—	—
Balance, End of Year	11,255,133	\$1,232,757	10,889,633	\$1,218,117

Management has established a plan for granting stock options to the directors, management and employees of the Corporation. At September 30, 1995, options covering 1,105,000 shares at prices ranging from \$0.10 to \$0.35 per share were outstanding which, if not exercised, will expire at various dates during the next five years and 514,653 warrants to purchase common stock at \$0.45 per share were outstanding until expiration at April 30, 1996. Under a Normal Course Issuer Bid, the Company received approval in May 1995 to purchase up to 500,000 of its outstanding common shares until May 26, 1996.

7. INCOME TAX

Income tax expense differs from the amount which would be obtained by applying the basic Canadian federal tax rates to the respective years' income before income taxes. The following table outlines the differences:

	1995	1994
Expected income tax expense at 44.5%	\$164,909	\$258,076
Crown royalties net of related credits	8,264	6,967
Resource allowance	(50,129)	(99,346)
Depletion on assets with no related tax base	46,885	55,853
Equity in non-deductible losses of Texada Energy Ltd.	9,345	—
Non-taxable portion of capital gain	(47,333)	—
Other items – net	9,733	(89)
Provision for income taxes	<u>\$141,674</u>	<u>\$221,461</u>

The Company has approximately \$1,242,600 of capital costs remaining to be written off against future years taxable income.

8. RELATED PARTIES

In the year to September 30, 1995, the Company paid \$215,000 under a Management Services and Joint Participation Agreement to a company controlled by officers of the Company.

Five Year Review

	1995	1994	1993	1992	1991
FINANCIAL					
(all amounts in dollars except outstanding shares)					
Revenue	1,966,565	2,091,690	2,527,667	741,061	775,060
Expenses					
Operating	561,060	510,501	405,105	206,789	178,737
Administration	541,241	504,035	503,752	311,556	326,655
Interest and bank charges	45,128	51,255	45,756	56,044	64,467
Depletion and depreciation	401,389	397,834	247,702	134,462	127,965
Future site restorations	47,165	48,120	16,660	—	—
	1,595,983	1,511,745	1,218,975	708,851	697,824
Earnings Before Income Taxes	370,582	579,945	1,308,692	32,210	77,236
Income Taxes	141,674	221,461	587,615	26,704	43,367
Net Earnings	228,908	358,484	721,077	5,506	33,869
Earnings Per Share					
Basic	0.019	0.034	0.077	(0.002)	0.001
Fully diluted	0.017	0.028	0.061	0.002	0.001
Cash Generated From Operations	853,351	1,000,536	1,015,469	149,418	174,409
Per Share	0.073	0.097	0.110	0.014	0.017
Shareholders' Equity	2,756,019	2,523,179	1,804,910	815,561	832,995
Shares Outstanding					
Preferred	152,978	152,978	313,238	327,723	327,723
Common – at year end	11,255,133	10,889,633	9,754,980	8,949,085	8,949,085
– weighted average	11,278,800	10,190,395	9,045,589	8,949,085	8,949,085
OPERATIONS					
Produced/Sales Volumes					
Total mmcf – Natural Gas	738.1	674.4	440.2	265.8	249.8
Mcf/d	2,022	1,848	1,206	728	684
Average \$/mcf	1.210	1.932	1.584	1.355	1.505
Total bbls – Crude Oil	7,730	4,908	1,753	398	398
Average \$/bbl	19.58	17.40	16.28	14.40	16.24

Corporate Information

DIRECTORS

Trevor F. Cuthill*
Calgary, Alberta

Garth M. Farr*
Calgary, Alberta

G. Donald Meades
Calgary, Alberta

Deane G.H. Ross
Calgary, Alberta

Wayne R. Sharp*
Calgary, Alberta

**Member of Audit Committee*

OFFICERS

Wayne R. Sharp
President

Deane G.H. Ross
Vice President, Exploration

G. Donald Meades
Vice President, Finance

HEAD OFFICE

Suite 1000,

808 - 4th Avenue S.W.

Calgary, Alberta T2P 3E8

Telephone: (403) 237-9393

Facsimile: (403) 237-9388

REGISTRAR AND TRANSFER AGENT

Montreal Trust Company

411 - 8th Avenue S.W.

Calgary, Alberta T2P 1E7

AUDITORS

Gordon K. Case
Calgary, Alberta

SOLICITORS

Burstall Ward
Calgary, Alberta

BANKERS

The Bank of Nova Scotia
Calgary, Alberta

STOCK EXCHANGE LISTING

Alberta Stock Exchange

Symbol: RMA

ABBREVIATIONS

mcf	thousand cubic feet
mmcf/d	million cubic feet per day
mcf/d	thousand cubic feet per day
bcf	billion cubic feet
mmcf	million cubic feet
bbl	barrel
boe	barrels of oil equivalent
mbbls	thousand barrels
BOE/d	barrels of oil equivalent per day (10 mcf of natural gas to 1 barrel of oil)

CONVERSION FACTORS

Cubic meters of gas to cubic feet	x 35.49373
Cubic meters of oil to barrels	x 6.29287

